



U.S. DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-58-2014)

Foreign-Trade Zone (FTZ) 7 – Mayaguez, Puerto Rico
Notification of Proposed Production Activity
Neolpharma, Inc.
(Pharmaceutical Products)
Caguas, Puerto Rico

The Puerto Rico Industrial Development Company, grantee of FTZ 7, submitted a notification of proposed production activity to the FTZ Board on behalf of Neolpharma, Inc. (Neolpharma), located in Caguas, Puerto Rico. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on August 12, 2014.

A separate application for subzone designation at the Neolpharma facility was submitted and is being processed under Section 400.31 of the FTZ Board's regulations. The facility is used for the production of pharmaceutical products. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Neolpharma from customs duty payments on the foreign status components used in export production. On its domestic sales, Neolpharma would be able to choose the duty rates during customs entry procedures that apply to the finished products: clarithromycin, azithromycin, levothyroxine, hydroxyzine pamoate and, hydroxyzine hydrochloride (duty free) for the foreign-status inputs noted below. Customs duties also could possibly be deferred or reduced on foreign status production equipment.

The components and materials sourced from abroad include sodium alginate and the following active pharmaceutical ingredients: clarithromycin, azithromycin monohydrate, levothyroxine sodium, and hydroxyzine pamoate (duty rate ranges from free to 6.5%).

Public comment is invited from interested parties. Submissions shall be addressed to the FTZ Board's Executive Secretary at the address below. The closing period for their receipt is ***[insert 40 days from date of publication]***.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the FTZ Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: August 12, 2014

Andrew McGilvray
Executive Secretary